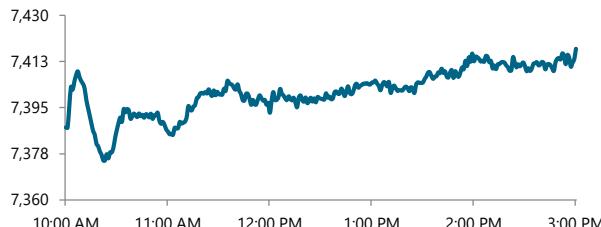


Daily Markets Overview

22 July 2020

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,417	0.5	-0.1	-11.6	21.0
Saudi (NOMUC)	8,257	7.7	0.9	15.0	32.8
Energy	5,038	0.0	-1.0	-7.4	20.2
Materials	4,621	0.7	-0.7	-10.6	NA
Capital Goods	4,156	2.6	1.1	-4.1	30.9
Com. & Prof. Svc	3,867	0.3	-1.6	-19.0	15.1
Transportation	3,957	1.8	2.4	-10.0	24.0
Cons. Durables & Apparel	3,638	1.6	3.2	3.7	NA
Consumer Services	3,538	1.4	-0.4	-10.6	9.0
Media	7,409	1.8	-0.6	-21.2	23.8
Retailing	6,770	-0.1	-2.7	-12.0	NA
Food & Staples Retailing	9,367	0.9	0.8	41.6	NA
Food & Beverages	5,336	0.7	-0.5	22.6	43.5
Health Care Equipment	4,443	1.4	1.0	19.1	30.1
Pharma, Biotech & Life Science	3,997	1.8	-1.9	11.2	NA
Banks	6,429	0.2	-0.2	-20.7	12.5
Diversified Financials	3,343	2.4	1.6	1.2	NA
Insurance	5,033	-0.3	0.5	11.5	NA
Telecommunication	6,368	1.4	1.0	-1.6	21.8
Utilities	3,468	1.2	1.6	-21.2	NA
REITs	3,758	0.5	-0.7	-10.5	20.4
Real Estate	2,718	1.3	2.1	-13.2	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The National Company for Glass Industries	21.60	10.0%	57
Al-Omran Industrial Trading Co.	88.40	10.0%	1
Saudi Printing & Packaging Co.	14.70	9.9%	47
Arab Sea Information System Co.	56.40	9.3%	230
Saudi Industrial Development Co.	9.41	6.2%	162

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	vs. Consensus
ALDREES	21-Jul	2Q20	14.4	-17%	0.24	NA
ASLAK	21-Jul	2Q20	12.2	103%	0.35	NA
BAHRI	20-Jul	2Q20	760.6	1569%	1.93	NA
Etihad Etisalat	20-Jul	2Q20	185.0	390%	0.24	NA
Extra	20-Jul	2Q20	90.5	25%	1.51	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of July 21, 2020
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.5% higher to 7,417 while NOMUC gained 7.7% to 8,257 on Tuesday. TASI traded value totaled SAR 6.6bn and averaged SAR 5.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 24.1% of the daily traded value.
- MSCI Emerging Markets closed 2.0% higher on Tuesday, trading at P/E (TTM) of 17.8x vs. 21.0x for TASI.
- Banks and Materials gained 0.2% and 0.7%, respectively. Telecom closed 1.4% higher. Capital Goods (up 2.6%) was the best performing sector. Among stocks, The National Company for Glass Industries (2150/ZOUJAJ AB), Al-Omran Industrial Trading Co. (4141/), and Saudi Printing & Packaging Co. (4270/SPPC AB), led the gainers.
- United Wire Factories Co. (1301/ASLAK AB) reported a net profit after Zakat and tax of SAR 27mn (USD 7.2mn) for 1H20 a 70% Y/Y rise, driven by higher sales volumes, and gross profit. (Source: Argaam)
- Aldrees Petroleum & Transport Services Co. (4200/ALDREES AB) reported a net profit after Zakat and tax of SAR 44.7mn (USD 11.9mn) for 1H20, a 5% Y/Y decrease against a net profit of SAR 47.2mn (USD 12.6mn) in the same period last year. (Source: Argaam)
- Abdullah Saad Mohammed Abo Moati for Bookstores Co. (9500/ABOMOATI AB) announced that it has renewed a sharia-compliant financing facility agreement with Samba Financial Group (1090/SAMBA AB) worth SAR 45mn (USD 12mn). (Source: Argaam)
- Sumou Real Estate Co. (9511/SRE AB) reported a net profit after Zakat and tax of SAR 36mn (USD 9.6mn) for 1H20, a 19% Y/Y increase. Sales for the period, however, fell 26% Y/Y to SAR 49.9mn (USD 13.3mn). (Source: Argaam)
- Saudi Real Estate Refinance Co. (SRC) stated that it is looking to refinance SAR 20bn (USD 5.3bn) through purchasing mortgage portfolios to provide liquidity and maintain market stability. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
The Company for Cooperative Insurance	81.40	-1.8%	13
Saudi Arabia Fertilizers Co.	77.30	-1.8%	15
Al Moammar Information Systems Co.	55.50	-1.8%	89
Al-Rajhi Co. for Cooperative Insurance	72.40	-1.6%	22
Red Sea International Co.	15.76	-1.0%	42

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
The National Shipping Co of Saudi Arabia	37.70	3.3%	669
Amlak International for Real Estate Finance Co.	20.04	2.5%	248
Arab Sea Information System Co.	56.40	9.3%	230
Dar Alarkan Real Estate Development Co.	7.25	0.3%	225
Saudi Fisheries Co.	23.14	2.8%	205

Source: Tadawul

Daily Markets Overview

22 July 2020

GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,089	1.1	1.7	-24.5	6.9
Abu Dhabi (ADX)	4,257	0.4	-0.4	-16.1	13.8
Kuwait (KSE)	4,847	-0.1	-0.8	-13.3	25.0
Qatar (QE)	9,396	0.3	0.9	-9.9	14.7
Oman (MSM)	3,477	0.5	0.8	-12.7	9.9
Bahrain (BSE)	1,303	0.7	0.0	-19.1	9.6
DJMENA Index	509	0.4	-0.2	-16.0	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,257	0.2	1.0	0.8	NA
US (NASDAQ 100)	10,680	-0.8	1.7	19.0	NA
UK (FTSE 100)	6,270	0.1	-0.3	-16.9	22.6
Germany (DAX)	13,172	1.0	2.0	-0.6	25.0
France (CAC 40)	5,104	0.2	0.7	-14.6	20.5
Russia (MICEX)	2,826	0.8	1.8	-7.2	7.1
Japan (Nikkei)	22,884	0.7	0.8	-3.3	27.9
Hong Kong (HSI)	25,636	2.3	2.2	-9.1	11.2
South Korea (KOSPI)	2,229	1.4	1.3	1.4	26.7
China (SHCOMP)	3,321	0.2	3.3	8.9	17.0
India (NIFTY)	11,162	1.3	2.4	-8.3	24.7
Brazil (IBOV)	1,04,310	-0.1	1.4	-9.8	NA
Turkey (BIST 100)	1,18,042	-1.0	-0.6	3.2	9.5
Egypt (EGX30)	10,558	1.7	1.1	-24.4	10.5
MSCI Emerging Markets	1,086	2.0	2.9	-2.6	17.8
MSCI World	2,322	0.4	1.2	-1.6	22.9

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	44.3	2.4	2.7	-32.8	-29.9
Natural Gas (\$/mmbtu)	1.7	2.1	-2.5	-23.5	-32.1
Gold (\$/oz)	1,842	1.3	1.7	21.4	29.3
Silver (\$/oz)	21.3	7.0	10.2	19.3	30.2
Platinum (\$/oz)	883	4.0	5.1	-8.6	4.1
Copper (\$/t)	6,544	0.8	1.4	6.4	9.1
Zinc (\$/t)	2,236	2.0	2.9	-1.9	-7.0
Lead (\$/mt)	1,814	0.5	0.2	-5.7	-9.3
Wheat (\$/bu)	528	1.1	-1.3	-5.5	0.0
Corn (\$/bu)	331	-1.5	-2.6	-14.7	-20.7
Sugar (\$/lb)	11.7	-0.4	-0.5	-13.0	-10.5

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.26	0.00	-1.65	0.00
Saudi Arabia	0.95	-0.01	-1.29	0.69
UAE	0.62	0.05	-1.59	0.37
Kuwait	1.56	0.00	-1.19	1.30
Qatar	1.09	-0.09	-1.16	0.83
Bahrain	2.30	0.00	-0.37	2.04

Source: Reuters

NOTES:

(1) Prices updated as of July 21, 2020 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Tuesday. S&P 500 gained 0.2%, while NASDAQ declined 0.8%. Dow Jones Industrial increased 0.6%. In Europe, UK gained 0.1%. Germany and France closed 1.0% and 0.2% higher, respectively.
- Asian markets are trading mixed on Wednesday. China is up 1.2%, while Japan is down 0.5%. South Korea is trading 0.1% higher. Hong Kong is up 0.1%, while India is down 0.3%, in the morning session.
- GCC markets ended mostly higher on Tuesday. Dubai and Abu Dhabi increased 1.1% and 0.4%. Kuwait declined 0.1%, while Qatar gained 0.3%. Oman and Bahrain closed 0.5% and 0.7% higher, respectively.
- Kuwait has announced plans to build 'labour cities' in various parts of the country for low-paid workers, preferably with the help of the private sector. Further, Ministry of Public Works indicated that these facilities are mainly being set up to cater to those workers whose salary is less than KWD200 (SAR 2,441) per month. (Source: *Trade Arabia*)
- According to S&P Global Ratings, Government funding needs in the GCC have increased significantly in 2020, as low oil prices and the economic repercussions of the Covid-19 pandemic have significantly widened governments' fiscal deficits. (Source: *Trade Arabia*)
- Dubai International Financial Centre (DIFC), a leading global financial centre, has signed a memorandum of understanding (MoU) with the Dubai Investment Development Agency (Dubai FDI) to jointly stimulate foreign investment in the Emirate. (Source: *Trade Arabia*)
- The UAE's Ministry of Finance (MoF) has signed a memorandum of understanding (MoU) with Sharjah Media City, Shams, on the exchange of information for tax purposes, as part of the UAE's tax agreements. (Source: *Zawya*)
- Oman's Shura Council, a consultative body to the government, has agreed to a committee proposal to link value-added tax to economic growth. The Shura Council's economic and finance committee proposed implementing VAT only if a minimum 3% economic growth is achieved. It also proposed excluding those who earn OMR 900 (SAR 8,766) or less a month from the tax. (Source: *Zawya*)
- According to reports, the Dubai Chamber of Commerce and Industry has launched a task force which will take on the issue of late payments to subcontractors and suppliers. (Source: *Decypha*)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended July 17 (prior: -7.5mn barrels) will be announced today. (Source: *Trading Economics*)
- US jobless claims for the week ended July 18 (prior: 1.3mn) will be announced tomorrow. (Source: *Trading Economics*)
- UK's Markit/CIPS Manufacturing PMI for July 2020 (prior: 50.1) will be announced on July 24. (Source: *Trading Economics*)

Daily Markets Overview

22 July 2020

Contacts

Research & Advisory

Research&advisory@fransicapital.com.sa

Saudi Fransi Capital

Toll free 800 125 9999

Website www.sfc.sa

Saudi Fransi Capital

(Closed Joint Stock Company Owned by Banque Saudi Fransi)

Authorized and regulated under Capital Market Authority license 11153-37. The company is operating under commercial registration 1010231217 with a paid up capital of SAR 500,000,000.

Head Office

8092 King Fahd Road | Riyadh 12313-3735 | Kingdom of Saudi Arabia

Mailing Address

P.O. Box 23454 Riyadh 11426 | Kingdom of Saudi Arabia

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not to be held responsible if the information in this report is not complete or free from any error.

This report is not to be construed as, an offer or solicitation of an offer to buy or sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor because the investment in such kind of securities may not be suitable for all.